

## Message Text

UNCLASSIFIED

PAGE 01 STATE 229524  
ORIGIN EUR-12

INFO OCT-01 ISO-00 L-03 FBOE-00 A-01 PA-02 ICA-20  
ABF-01 /040 R

DRAFTED BY EUR/CE:VSGRAY:JKR  
APPROVED BY EUR/CE:WMWOESSNER  
L/M:PSHAMWELL(INFO)  
EUR/P:FSEIDNER (SUBS)  
-----081434 111944Z /64

P 111914Z SEP 78  
FM SECSTATE WASHDC  
TO AMEMBASSY BERLIN PRIORITY

UNCLAS STATE 229524

E.O. 11652: N/A

TAGS: PGOV, EFIN, ABLD, GE, US

SUBJECT: COURT RULES AGAINST GDR IN ARLINGTON TAX CASE

1. DISTRICT JUDGE ALBERT BRYAN OF ALEXANDRIA RULED AGAINST  
GDR SEPTEMBER 7 IN ARLINGTON COUNTY SUIT FOR BACK TAXES  
ON GDR'S STAFF HOUSING APARTMENT BUILDING IN ARLINGTON.

2. FOLLOWING IS TEXT OF SEPTEMBER 8 WASHINGTON POST  
ARTICLE ON THE RULING: BEGIN TEXT: A U.S. JUDGE IN  
ALEXANDRIA YESTERDAY RULED THAT THE EAST GERMAN GOVERN-  
MENT MUST PAY ARLINGTON COUNTY MORE THAN \$28,000 IN BACK  
PROPERTY TAXES FOR AN APARTMENT BUILDING IN WHICH IT  
HOUSES ITS DIPLOMATIC STAFF.

THE RULING BY U.S. DISTRICT COURT JUDGE ALBERT V.  
BRYAN JR. IS BELIEVED TO BE THE FIRST TO REQUIRE SUCH A  
TAX PAYMENT UNDER THE FOREIGN SOVEREIGN IMMUNITIES ACT  
OF 1976, ACCORDING TO ATTORNEYS IN THE CASE.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 229524

THE JUDGE'S ORDER INCLUDED \$24,000 IN REAL ESTATE  
TAXES FOR 1977, THE FIRST YEAR THE GERMANS OWNED THE  
BUILDING, PLUS \$2,400 IN DELINQUENT PENALTIES AND \$2,100  
IN INTEREST.

THE EAST GERMANS, WHO HAVE FOUGHT THE TAXES ON THEIR

BUILDING, WINDSOR PARK TOWER, 1515 S. ARLINGTON RIDGE RD., AS WELL AS THE COURT'S AUTHORITY TO HEAR THE CASE, SAID YESTERDAY THROUGH AN ATTORNEY THAT THEY WOULD NOT PAY THE TAX.

BEGIN QUOTE: MY CLIENT FEELS THIS IS A POLITICAL MATTER AND IT SHOULD BE RESOLVED THROUGH THE STATE DEPARTMENT,END QUOTE,SAID THE LAWYER, STANLEY FAULKNER, WHO ADDED THAT HE DID NOT KNOW IF BRYAN'S DECISION WOULD BE APPEALED.

DURING YESTERDAY'S 10-MINUTE TRIAL AND IN PRETRIAL HEARINGS FAULKNER WAS RESTRICTED BY HIS EAST GERMAN CLIENTS FROM CROSS-EXAMINING WITNESSES AND PRESENTING EVIDENCE.

CHARLES F. FLINN, ASSISTANT COUNTY ATTORNEY, SAID YESTERDAY THAT THE COUNTY HOPES THE GERMANS WILL PAY AND SAID THE COUNTY WILL QUOTE: WAIT AND AND SEE,END QUOTE, IF YESTERDAY'S DECISION IS APPEALED BEFORE TRYING TO ENFORCE IT. END TEXT

3. FOLLOWING IS TEXT OF PRESS GUIDANCE PREPARED FOR SEPTEMBER 8 NOON PRESS BRIEFING: BEGIN TEXT:

Q. CAN YOU COMMENT ON THE STORY IN TODAY'S POST CONCERNING AN ARLINGTON COUNTY TAX SUIT AGAINST THE EAST UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 229524

GERMAN EMBASSY?

A. ARLINGTON COUNTY HAS BEEN SEEKING TO COLLECT TAXES ON THE STAFF APARTMENT HOUSE OWNED BY THE EMBASSY OF THE GERMAN DEMOCRATIC REPUBLIC AT 1515 SOUTH ARLINGTON RIDGE ROAD, CLAIMING, WE UNDERSTAND, THAT THE BUILDING IS BEING USED FOR PRIMARILY COMMERCIAL PURPOSES. WE UNDERSTAND THAT DISTRICT JUDGE ALBERT BRYAN ISSUED JUDGEMENT FOR THE PLAINTIFF IN HIS ALEXANDRIA COURT YESTERDAY.

Q. IS THE BUILDING, AS CLAIMED BEING USED FOR COMMERCIAL PURPOSES?

A. TO OUR KNOWLEDGE, THE BUILDING IS BEING USED SOLELY TO HOUSE GDR EMBASSY PERSONNEL.

Q. HAS THE DEPARTMENT GIVEN AN OPINION TO THE COURT ON THE CASE?

A. THE DEPARTMENT WAS NOT ASKED FOR AN OPINION BY THE COURT.

Q. DID THE DEPARTMENT BECOME INVOLVED IN THE CASE UNDER THE FOREIGN SOVEREIGNTIES IMMUNITIES ACT OF 1976?

A. AS REQUIRED BY THAT ACT, WE SERVED PROCESS ON THE GDR ON AUGUST 15 AND SO NOTIFIED JUDGE BRYAN'S COURT.

Q. CAN YOU GIVE US ANY FURTHER DETAILS ON THE COURT'S JUDGEMENT?

A. WE HAVE NOT YET SEEN THE WRITTEN JUDGEMENT. I SUGGEST THAT YOU CONTACT JUDGE BRYAN.

Q. WILL THE GDR APPEAL THE CASE?  
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 229524

A. I DON'T KNOW. I SUGGEST YOU CONTACT THE GDR EMBASSY.  
END TEXT. CHRISTOPHER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LITIGATION, COURT DECISIONS, TAXES, BUILDINGS, EMBASSIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 sep 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE229524  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** VSGRAY:JKR  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780370-0084  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780981/aaaacorr.tel  
**Line Count:** 139  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ea92e852-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1483162  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COURT RULES AGAINST GDR IN ARLINGTON TAX CASE  
**TAGS:** PGOV, EFIN, ABLD, GC, US  
**To:** BERLIN  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/ea92e852-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014